

Exhibit

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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

AWG Docket No. 10-0184

In re: ERNEST A. JOHNSON,

Petitioner

DECISION AND ORDER

This matter is before the Administrative Law Judge upon the request of Ernest A. Johnson for a hearing to address the existence or amount of a debt alleged to be due, and if established, the terms of any repayment prior to imposition of an administrative wage garnishment. On May 3, 2010, a Prehearing Order was entered to facilitate a meaningful conference with the parties as to how the case would be resolved, to direct the exchange of information and documentation concerning the existence of the debt, and setting the matter for a telephonic hearing on June 25, 2010.

The Respondent complied with that Order and a Narrative was filed, together with supporting documentation on June 10, 2010. The Petitioner failed to file anything on his behalf and was not reachable on the date of the hearing. Accordingly, this matter will be decided upon the record before me, and the following Findings of Fact, Conclusions of Law and Order will be entered.

Findings of Fact

1. On September 9, 1994, the Petitioner and Anika Johnson, then his wife, received a home mortgage loan in the amount of \$72,780.00 from Farmers Home Administration (FmHA) (now Rural Development (RD)) for property located at 1511 Faro Drive, Austin, Texas. RX-1.
2. The property was sold at a short sale on May 12, 1998 with proceeds realized from that sale in the amount of \$74,000.00, leaving a balance due of \$13,847.56. RX-3.
3. Treasury offsets totaling \$8,285.35 (after fees) have been received. RX-3.
4. The remaining unpaid debt is in the amount of \$5,562.21 (exclusive of potential Treasury fees). RX-4.

Conclusions of Law

1. Ernest A. Johnson is indebted to USDA Rural Development in the amount of \$5,562.21 (exclusive of potential Treasury fees) for the mortgage loan extended to him.
2. All procedural requirements for administrative wage offset set forth in 31 C.F.R. §285.11 have been met.
3. The Respondent is entitled to administratively garnish the wages of the Petitioner.

Order

For the foregoing reasons, the wages of the shall be subjected to administrative wage garnishment at the rate of 15% of disposable pay, or such lesser amount as might be specified in 31 C.F.R. § 285.11(i).

Copies of this Decision and Order shall be served upon the parties by the Hearing Clerk's Office.

Done at Washington, D.C.
June 25, 2010

PETER M. DAVENPORT
Chief Administrative Law Judge

Copies to: Ernest A. Johnson
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